

Nicor Gas Company
Response to:
Illinois Commerce Commission
Ill.C.C. Docket No. 03-0166
First Data Request

SDR-001 Q. Describe with specificity how the actions undertaken by the Company comply with each of the four prudence standards contained in the Commission's Order in Dockets Nos. 91-0080 through 91-0095 (Consolidated).

SDR-001 A. The four prudence standards contained in the Commission's Order in Dockets Nos. 91-0080 through 91-0095 (Consolidated) are:

- 1) reasonable and appropriate business standards,
- 2) the requirements of other relevant state and/or federal authorities,
- 3) minimization of costs to ratepayers, consistent with safety, reliability and quality assurance, and
- 4) based on facts and knowledge the Company knew or reasonably should have known at the time the expenditures were made.

The Company believes that its MGP program meets the four prudence standards in all respects. The following are some examples, albeit not an exclusive list, of certain actions the Company takes in satisfaction of each of the four prudence standards:

- 1) The Company used reasonable and appropriate business standards to select professional service providers including, but not limited to, conducting research into the firms and interviews with key personnel of those firms. In addition, the Company monitors and oversees the work of these service providers to ensure that they conform to reasonable and appropriate business standards.
- 2) The Company works cooperatively with the Illinois Environmental Protection Agency in managing its MGP sites.
- 3) The Company negotiated consulting contracts for professional services and competitively bid nearly all other goods and services in order to minimize costs. The contracts for professional services were evaluated based on several factors including fee schedules. The consultants that provided the best value were selected. In addition, the Company negotiated and entered into the Interim Cooperative Agreement with ComEd to ensure the efficient investigation and remediation of certain sites, and has aggressively pursued insurance recovery.
- 4) The Company researched the history of MGPs within its service territory, utilized outside experts to supplement its research and utilized insurance archeologists to research potential insurance policies.

Company Witness: Nancy J. Huston

OFFICIAL FILE

ILL.C.C. DOCKET NO. 03-0166
Nicor Exhibit No. 6-SDR-001-
Witness _____ SDR 022
Date 2/26/04 Reporter _____

Nicor Gas Company
Response to:
Illinois Commerce Commission
Ill.C.C. Docket No. 03-0166
First Data Request

- SDR-002 Q. This request pertains to the level of environmental cleanup required at each MGP site.
- a. For each MGP site, describe the level of environmental cleanup required.
 - b. List the steps that must be taken to obtain the level of environmental cleanup required.
 - c. Explain and evaluate any alternative levels of environmental cleanup that may be applicable for each site.
- SDR-002 A. a. Cleanup levels for all or portions of 14 sites have been proposed to IEPA. The levels proposed are consistent with IEPA's Site Remediation Program's *Tiered Approach to Corrective Action Objectives (TACO)*. The level of environmental cleanup required, if any, at the remainder of the sites has not been determined at this time.
- b. IEPA regulations require, at a minimum, removal of source material, as defined in the regulations. This is one of the steps involved in cleanup of a site. Because each site is unique, the cleanup steps necessary, if any, are site specific and can only be determined after establishing the cleanup levels.
 - c. Illinois EPA guidance allows sites to be classified as "residential" or "commercial/industrial" for setting cleanup objectives. As sites move to the remediation phase, necessary cleanup levels at each site will be individually evaluated based on the current and future uses of the site. Site specific cleanup levels will be established. For example, the Ottawa site is classified as "residential" based on the fact that it is a school athletic field, while the DuQuoin and LaGrange sites are "commercial/industrial" sites. Generally, "residential" sites require more stringent cleanups than "commercial/industrial" sites.

Company Witness: Nancy J. Huston

Nicor Gas Company
Response to:
Illinois Commerce Commission
Ill.C.C. Docket No. 03-0166
First Data Request

SDR-003 Q. Has the Company ever received a site remediation letter from the Illinois Environmental Protection Agency indicating that no further remediation is required at a specific MGP site? If yes, provide a copy of each site remediation letter received.

SDR-003 A. Yes. Copies of letters for property adjacent to the Bloomington MGP site, two DuQuoin properties and LaGrange are attached.

Company Witness: Nancy J. Huston

 State of Illinois
ENVIRONMENTAL PROTECTION AGENCY

Gade, Director
217/782-6761

2200 Churchill Road, Springfield, IL 62794-9276

October 24, 1995

Bill Myers
Modernization Coordinator
Housing Authority of the City of Bloomington, Illinois
Wood Hill Towers - South
104 East Wood Street
Bloomington, IL 61701

Nancy J. Huston ✓
Director Environmental Codes and Standards
Northern Illinois Gas
P.O. Box 190
Aurora, IL 60507-0190

Re: 1130200032/McLean County
Bloomington/Northern Illinois Gas-MGP
Superfund/Technical Reports

Dear Mr Myers and Ms. Huston:

The Agency has completed the requested review of the Site Remediation and Closure Report dated August 2, 1995 and the additional information in the Closure of Bloomington Housing Authority property excavation received September 18, 1995.

The Agency has determined, based upon information submitted, the voluntary clean-up of the Manufacture Gas Plant waste at the above referenced site, in accordance with the Remedial Action Plan dated February 3, 1995, and subject to the following conditions; has been successfully demonstrated. Therefore, pursuant to Section 4(y) of the Environmental Protection Act, the Agency releases The City of Bloomington, Bloomington Housing Authority, and Northern Illinois Gas from further responsibility for preventive or corrective action.

Develop a contingency plan to handle unexpected subsurface conditions, such as any coal tar contamination, during construction of the maintenance facility and parking lot and other subsequent construction or subsurface maintenance activities.

Perform subsurface excavation activities associated with property development using a qualified hazardous waste contractor who adheres to a health and safety plan that is in accordance with OSHA regulation.

Characterize and dispose of debris and soil removed from the site at a landfill permitted for those types of material.

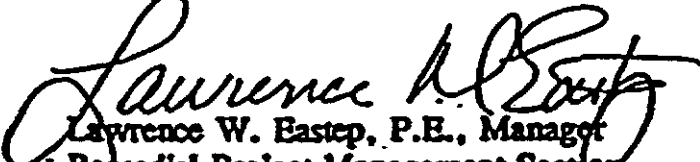
Design the maintenance facility, parking lot and greenspace areas proposed for the property to act as a barrier between human receptors and remaining contaminated surface soils. These features shall be designed with adequate drainage and will completely cover the property. Greenspace areas will be kept to a minimum and a topsoil cover at least 1 foot thick shall be placed in these areas before they are vegetated.

Restrict future excavation/construction activities and future land uses at the site to those outlined in the contingency plan. Restrictions shall be placed on deed(s) to the property.

A groundwater investigation shall be conducted.

If you have any questions, please feel free to contact Jennifer M. Seul at the number listed above.

Sincerely,


Lawrence W. Eastep, P.E., Manager
Remedial Project Management Section
Division of Remediation Management
Bureau of Land

LWE:jms

bcc: Division File
Region File - Champaign
Jennifer Seul
Stan Black



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276 Mary A. Gade, Director

217/782-6761

CORRECTED VERSION

November 06, 1998

AmerenCIPS

Attention: Mr. James T. Birkett
607 East Adams Street
Springfield, IL 62739

Commonwealth Edison Company
Attention: Ms. Mary O'Toole
10 South Dearborn, 35 FNW
Chicago, IL 60603

Re: 1450105035 -- Perry County
DuQuoin/Gas Plant Road L.L.C.
Site Remediation/Technical Reports

Dear Remediation Applicants:

The "MONY Property Remedial Action Completion Report" (10/09/97;97-1611) as prepared by RETEC for the Former Manufactured Gas Plant/MONY property has been reviewed by the Illinois Environmental Protection Agency (Illinois EPA) and demonstrates that the remedial action was completed in accordance with the Workplan for Remediation-Related Activities and the Work Plan for Remediation-Related Support Activities (12/20/96;96-1501).

The remediation site, consisting of 9.84 acre(s), is more commonly known as the Southtowne Shopping Center property described in the environmental notice. Pursuant to Section 58.10 of the Illinois Environment Protection Act ("Act") (415 ILCS 5/58.10), your request for a no further remediation determination for the site is granted under the conditions and terms specified in this letter.

Issuance of this comprehensive No Further Remediation Letter ("Letter") signifies a release from further responsibilities under the Act in performing the approved remedial action. The Letter shall be considered prima facie evidence that the remediation site described in the attached Site Remediation Program ("SRP") Environmental Notice and shown in the attached Site Base Map does not constitute a threat to human health and the environment and does not require further remediation under the Act so long as the site is utilized in accordance with the terms of this Letter.

CONDITIONS AND TERMS OF APPROVAL

LEVEL OF REMEDIATION AND LAND USE LIMITATIONS

1. The recognized environmental conditions, as characterized by the Comprehensive Site Investigation, consist of the following:
 - a) Regulated Substances of Concern that have been successfully addressed are detailed in "MONY Property Remedial Action Completion Report" (10/09/97;97-1611) as prepared by RETEC.
2. In accordance with Section 58.8(c) and 58.10(b)(3) of the Act (415 ILCS 5/58.8(c) and 415 ILCS 5/58.10(b)(3), respectively), the remediation site described in the attached SRP Environmental Notice and shown on the attached Site Base Map of this Letter has been remediated consistent with industrial/commercial uses.
3. The land use specified in this letter may be revised to allow residential use provided:
 - a) The Owner or Remedial Applicant notifies the Agency; and
 - b) Certification is provided to the Agency that the five foot barrier of clean soil has been properly maintained in the "area of concern" noted on the site base map; and
 - c) Any soils excavated from below the five foot barrier in the "area of concern" have been either returned to that depth or disposed in accordance with appropriate waste disposal regulations. Soils excavated shall not remain on the surface. Public access must be restricted, during any future excavation and/or construction activities within the contaminated soil of the area of concern.

PREVENTIVE ENGINEERING AND INSTITUTIONAL CONTROLS

4. There are no preventive, engineering or institutional controls unless the land use is revised to residential use in accordance with paragraph 3. above. If converted to residential use, a five foot barrier of clean soil must be maintained in the "area of concern".

OTHER TERMS

5. Further information regarding this remediation site can be obtained through a written request under the Freedom of Information Act (5 ILCS 140) to:

Illinois Environmental Protection Agency
Attn: Freedom of Information Act Officer
Bureau of Land #24
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

6. Pursuant to Section 58.10(f) of the Act (415 ILCS 5/58.10(f)), should the Illinois EPA seek to void this Letter, the Illinois EPA shall provide notice to the current title holder and to the Remediation Applicant at the last known address. The notice shall specify the cause for the voidance, explain the provisions for appeal, and describe the facts in support of this cause. Specific acts or omissions that may result in the voidance of this Letter under Sections 58.10(e)(1)-(7) of the Act (415 ILCS 5/58.10(e)(1)-(7)) include, but shall not be limited to:
- a) Any violation of institutional controls or the designated land use restrictions;
 - b) The failure to operate and maintain preventive or engineering controls or to comply with any applicable groundwater monitoring plan;
 - c) If applicable, the disturbance or removal of contamination that has been left in-place in accordance with the Remedial Action Plan. Access to soil contamination may be allowed if, during and after any access, public health and the environment are protected consistent with the Remedial Action Plan;
 - d) The failure to comply with the recording requirements for this Letter;
 - e) Obtaining the Letter by fraud or misrepresentation;
 - f) Subsequent discovery of contaminants, not identified as part of the investigative or remedial activities upon which the issuance of the Letter was based, that pose a threat to human health or the environment;
 - g) The failure to pay the No Further Remediation Assessment Fee within 45 days after receiving a request for payment from the Illinois EPA;
 - h) The failure to pay in full the applicable fees under the Review and Evaluation Services Agreement within 45 days after receiving a request for payment from the Illinois EPA.
7. Pursuant to Section 58.10(d) of the Act, the No Further Remediation Letter shall apply in favor of the following persons:
- a) AmerenCIPS, Commonwealth Edison Company, The Mutual Life Insurance Company of New York;

- b) The owner and operator of the remediation site;
 - c) Any parent corporation or subsidiary of the owner of the remediation site;
 - d) Any co-owner, either by joint-tenancy, right of survivorship, or any other party sharing a relationship with the owner of the remediation site;
 - e) Any holder of a beneficial interest of a land trust or inter vivos trust, whether revocable or irrevocable, involving the remediation site;
 - f) Any mortgagee or trustee of a deed of trust of the owner of the remediation site or any assignee, transferee, or any successor-in-interest of the owner of the remediation site;
 - g) Any successor-in-interest of the owner of the remediation site;
 - h) Any transferee of the owner of the remediation site whether the transfer was by sale, bankruptcy proceeding, partition, dissolution of marriage, settlement or adjudication of any civil action, charitable gift, or bequest;
 - i) Any heir or devisee of the owner of the remediation site;
 - j) Any financial institution, as that term is defined in Section 2 of the Illinois Banking Act and to include the Illinois Housing Development Authority, that has acquired the ownership, operation, management, or control of the remediation site through foreclosure or under the terms of a security interest held by the financial institution, under the terms of an extension of credit made by the financial institution, or any successor in interest thereto; or
 - k) In the case of a fiduciary (other than a land trustee), the estate, trust estate, or other interest in property held in a fiduciary capacity, and a trustee, executor, administrator, guardian, receiver, conservator, or other person who holds the remediated site in a fiduciary capacity, or a transferee of such party.
8. This Letter, including all attachments, must be recorded as a single instrument within 45 days of receipt with the Office of the Recorder, Perry County. For recording purposes, the SRP Environmental Notice attached to this Letter should be the first page of the instrument filed. This Letter shall not be effective until officially recorded by the Office of the Recorder, Perry County in accordance with Illinois law so that it forms a permanent part of the chain of title for the Southtowne Shopping Center property.

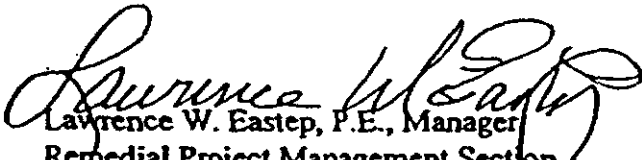
Within 30 days of this Letter being recorded by the Office of the Recorder, Perry County, a certified copy of this Letter, as recorded, shall be obtained and submitted to the Illinois EPA to:

Mr. Robert E. O'Hara
Illinois Environmental Protection Agency
Bureau of Land/RPMS Section
1021 North Grand Avenue, East
P.O. Box 19276
Springfield, IL 62794-9276

9. In accordance with Section 58.10(g) of the Act, a No Further Remediation Assessment Fee based on the costs incurred for the remediation site by the Illinois EPA for review and evaluation services will be applied in addition to the fees applicable under the Review and Evaluation Services Agreement. Request for payment of the No Further Remediation Assessment Fee will be included with the final billing statement.

If you have any questions regarding this correspondence, you may contact the Illinois EPA project manager, Stan Komperda at 217/782-5504.

Sincerely,


Lawrence W. Eastep, P.E., Manager
Remedial Project Management Section
Division of Remediation Management
Bureau of Land

Enclosures: SRP Environmental Notice
Site Base Map

ARED BY:

Ameren CIPS

ss: 607 East Adams Street
Springfield, IL 62739

: Commonwealth Edison Company

ss: 10 South Dearborn, 35 FNW
Chicago, IL 60603

JRN TO:

ss: AmerenCIPS

ss: 607 East Adams Street
Springfield, IL 62739

e: Commonwealth Edison Company

ress: 10 South Dearborn, 35 FNW
Chicago, IL 60603

THE ABOVE SPACE FOR RECORDER'S OFFICE

s Environmental No Further Remediation letter must be submitted by the remediation applicant within 45
s of its receipt, to the Office of the Recorder, Perry County.

ois State EPA Number: 1450105035

erenCIPS, Commonwealth Edison Company, The Mutual Life Insurance Company of New York, the
mediation Applicants, whose addresses are listed above, have performed investigative and/or remedial
ivities for the remediation site depicted on the attached Site Base Map and which remediation site can be
ntified by the following:

Legal description: PART OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 17, TOWNSHIP 6 SOUTH,
RANGE 1 WEST OF THE THIRD PRINCIPAL MERIDIAN, IN PERRY COUNTY, ILLINOIS; MORE PARTICULARLY DESCRIBED AS
FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID QUARTER-QUARTER SECTION; THENCE NORTH ON AN AZIMUTH
OF 359°57'30" FOR A DISTANCE OF 25 FEET; THENCE EAST ON AN AZIMUTH OF 90°15'56" FOR A DISTANCE OF 245.00 FEET TO
THE POINT OF BEGINNING THENCE NORTH ON AN AZIMUTH OF 359°57'30" FOR A DISTANCE OF 40 FEET; THENCE
NORTHWEST ON AN AZIMUTH OF 348°15'00" FOR A DISTANCE OF 166.67 FEET; THENCE WEST ON AN AZIMUTH OF
258°15'00" FOR A DISTANCE OF 55.67 FEET; THENCE NORTHWEST ON AN AZIMUTH OF 348°15'00" FOR A
DISTANCE OF 230 FEET; THENCE EAST ON AN AZIMUTH OF 78°15'00" FOR A DISTANCE OF 258.50 FEET; THENCE
NORTHEAST ON AN AZIMUTH OF 18°15'00" FOR A DISTANCE OF 90.12 FEET; THENCE NORTHEAST ON AN
AZIMUTH OF 48°15'00" FOR A DISTANCE OF 93.75 FEET; THENCE EAST ON AN AZIMUTH OF 78°15'00" FOR A
DISTANCE OF 106.87 FEET; THENCE SOUTH ON AN AZIMUTH OF 168°15'00" FOR A DISTANCE OF 33.14 FEET;
THENCE EAST ON AN AZIMUTH OF 78°15'00" FOR A DISTANCE OF 250.28 FEET; THENCE SOUTHEAST ALONG A
CURVE TO THE LEFT HAVING A RADIUS OF 1745.42 FEET FOR A DISTANCE OF 160.67 FEET; THENCE SOUTHEAST
ON AN AZIMUTH OF 147°25'31" FOR A DISTANCE OF 251.88 FEET; THENCE SOUTHEAST ALONG A CURVE TO THE
RIGHT HAVING A RADIUS OF 1625.42 FEET FOR A DISTANCE OF 17.09 FEET; THENCE WEST ON AN AZIMUTH OF
258°15'00" FOR A DISTANCE OF 181.75 FEET; THENCE SOUTH ON AN AZIMUTH OF 168°15'00" FOR A DISTANCE OF
263.68 FEET; THENCE WEST ON AN AZIMUTH OF 270°15'56" FOR A DISTANCE OF 587.96 FEET; THENCE NORTH ON
AN AZIMUTH OF 359°57'30" FOR A DISTANCE OF 40 FEET; THENCE WEST ON AN AZIMUTH OF 270°15'56" FOR A
DISTANCE OF 40 FEET; THENCE SOUTH ON AN AZIMUTH OF 179°57'30" FOR A DISTANCE OF 40 FEET; THENCE E

: 1

WEST ON AN AZIMUTH OF 270°15'56" FOR A DISTANCE OF 25 FEET TO THE POINT OF BEGINNING; CONTAINING 9.84 ACRES MORE OR LESS.

Common Address: Southtowne Shopping Center, Corner of Illinois Route 51 and Gas Plant Road, DuQuoin, Illinois.

Real Estate Tax Index/Parcel Index Number: 1-61-0260-214

Remediation Site Owner: The Mutual Life Insurance Company of New York

Land Use Limitation: Industrial/Commercial

Site Investigation: Comprehensive

: NFR letter for other terms

PROPERTY OWNER CERTIFICATION OF NFR LETTER UNDER THE SITE REMEDIATION PROGRAM

If the Remediation Applicant is not the sole owner of the remediation site, include the full legal name, title, the company, the street address, the city, the state, the ZIP code, and the telephone number of all other property owners. Include the site name, street address, city, ZIP code, county, Illinois Inventory I.D. number and real estate tax index/parcel index number. The property owner(s), or the duly authorized agent of the owner(s) must certify, by original signature, the statement appearing below.

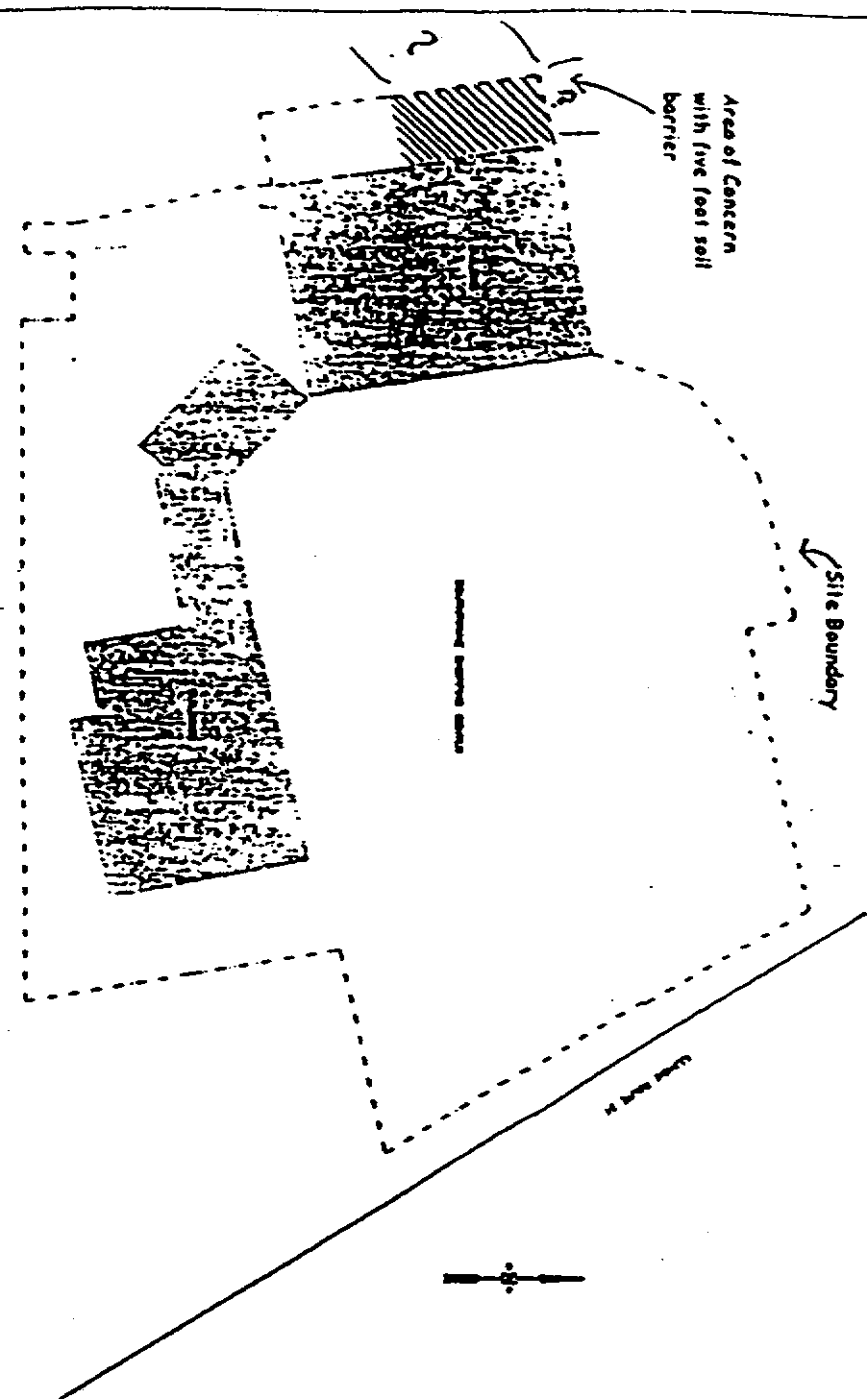
A duly authorized agent means a person who is authorized by written consent or by law to act on behalf of a property owner including, but not limited to:

1. For corporations, a principal executive officer of at least the level of vice-president;
2. For a sole proprietorship or partnership, the proprietor or a general partner, respectively; and
3. For a municipality, state or other public agency, the head of the agency or ranking elected official.

For multiple property owners, attach additional sheets containing the information described above, along with a signed, dated certification for each. All property owner certifications must be recorded along with the attached NFR letter.


Property Owner Information	
Owner's Name:	_____
Title:	_____
Company:	_____
Street Address:	_____
City:	_____ State: _____ Zip Code: _____ Phone: _____
Site Information	
Site Name:	_____
Site Address:	_____
City:	_____ State: _____ Zip Code: _____ County: _____
Illinois Inventory ID Number:	_____
Real Estate Tax Index/Parcel Index No.	_____
I hereby certify that I have reviewed the attached No Further Remediation Letter, and that I accept the terms and conditions and any land use limitations set forth in the letter.	
Owner's Signature:	_____ Date: _____
SUBSCRIBED AND SWORN TO BEFORE ME this _____ day of _____, 19____	
_____ Notary Public	


The Illinois EPA is authorized to require this information under Sections 415 ILCS 5/58 - 58.12 of the Environmental Protection Act and regulations promulgated thereunder. If the Remediation Applicant is not also the sole owner of the remediation site, this form must be completed by all owners of the remediation site and recorded with the NFR Letter. Failure to do so may void the NFR Letter. This form has been approved by the Forms Management Center. All information submitted to the Site Remediation Program is available to the public except when specifically designated by the Remediation Applicant to be treated confidentially as a trade secret or secret process in accordance with the Illinois Compiled Statutes, Section 7(a) of the Environmental Protection Act, applicable Rules and Regulations of the Illinois Pollution Control Board and applicable Illinois EPA rules and guidelines.



LEGEND

--- PROPERTY LINE

 BUILDINGS

 AREA OF CONCERN
REMOVING BUILDING/ACT
AND DEMOLISHING SITE
THE FIVE FOOT SOIL
BARRIER AND OF DEMOLITION
LETTERS

ATTACHMENT 1 - SITE BASE MAP FOR NFR LETTER PERTAINING TO
MONTY PROPERTY REMEDIAL ACTION COMPLETION REPORT
FORMER MCP SITE, DU QUOIN, IL

ILLINOIS EPA SITE ID:
/ 1450100002 - PENNY COUNTRY



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276 Mary A. Gade, Director

217/782-6761

CORRECTED VERSION

November 6, 1998

Certified # 344 335 241

AmerenCIPS

Attention: Mr. James T. Birkett
607 East Adams Street
Springfield, IL 62739

Commonwealth Edison Company
Attention: Ms. Mary O'Toole
10 South Dearborn, 35 FNW
Chicago, IL 60603

Re: 1450100002 -- Perry County
DuQuoin/CIPS-DuQuoin Former MGP
Site Remediation/Technical Reports

Dear Remediation Applicants:

The Remedial Action Completion Report (October 9, 1997/97-1610) as prepared by RETEC for the CIPS-DuQuoin Former MGP property has been reviewed by the Illinois Environmental Protection Agency ("Illinois EPA") and demonstrates that the remedial action was completed in accordance with the Workplan for Remediation-Related Activities and the Work Plan for Remediation-Related Support Activities (12/20/96;96-1501).

The remediation site, consisting of approximately 5.5 acre(s), as described in the attached environmental notice, is located on Gas Plant Road just west of U.S. 51, DuQuoin, Illinois. Pursuant to Section 58.10 of the Illinois Environment Protection Act ("Act") (415 ILCS 5/58.10), your request for a no further remediation determination is granted under the conditions and terms specified in this letter.

Issuance of this Comprehensive No Further Remediation Letter ("Letter") signifies a release from further responsibilities under the Act in performing the approved remedial action and shall be considered prima facie evidence that the remediation site described in the attached Site Remediation Program ("SRP") Environmental Notice and shown in the attached Site Base Map does not constitute a threat to human health and the environment and does not require further remediation under the Act if utilized in accordance with the terms of this Letter.

CONDITIONS AND TERMS OF APPROVAL

LEVEL OF REMEDIATION AND LAND USE LIMITATIONS

1. The recognized environmental conditions, as characterized by the Comprehensive Site Investigation, consist of the following:
 - a) Regulated Substances of Concern that have been successfully addressed are detailed the Remedial Action Completion Report Former Manufactured Gas Plant Site in DuQuoin, Illinois: (10/9/97) as prepared by RETEC.
2. In accordance with Section 58.8(c) and 58.10(b)(3) of the Act (415 ILCS 5/58.8(c) and 415 ILCS 5/58.10(b)(3), respectively), the remediation site described in the attached SRP Environmental Notice and shown on the attached Site Base Map of this Letter is limited to industrial/commercial uses.
3. The land use specified in this Letter may be revised if:
 - a) Further investigation or remedial action has been conducted that documents the attainment of objectives appropriate for the new land use; and
 - b) A new Letter is obtained and recorded in accordance with Title XVII of the Act and regulations adopted thereunder.

PREVENTIVE, ENGINEERING, AND INSTITUTIONAL CONTROLS

4. The implementation and maintenance of following controls are required as part of the approval of the remediation objectives for this site.

Preventive Controls:

At a minimum, a safety plan should be developed to address possible worker exposure, should any future excavation and construction activities occur within the contaminated soil. The site is surrounded by commercial, agricultural and residential properties. Any excavation within the soil below one foot will require implementation of a safety plan that is consistent with NIOSH Occupational Safety and Health Guidance Manual for Hazardous Waste Site Activities, OSHA regulations particularly in 29 CFR 1910 and 1926, state and local regulations, and other USEPA guidance provided. Soil excavated below one foot shall be returned to the same depth from which it was excavated or properly managed in accordance with applicable state and federal regulations. The area of concern as shown in the Site Base Map must maintain a one foot clean soil barrier.

No person shall construct, install, maintain, or utilize a water system or well other than

the water supply and water services available from the nearest Public Water Supply. The provisions of this institutional control shall be applicable to all water usage including, but not limited to, domestic, commercial, and industrial uses and water for outdoor purposes.

5. Failure to manage the controls in full compliance with the terms of the Remedial Action Plan (dated October 09, 1997/97-1610) may result in voidance of this Letter.

OTHER TERMS

6. Where the Remediation Applicant is not the sole owner of the remediation site, the Remediation Applicant shall complete the attached "Property Owner Certification of NFR Letter Under the Site Remediation Program" form. This certification by original signature or each property owner, or the authorized agent of the owner(s), of the remediation site or any portion thereof who is not a Remediation Applicant shall be recorded along with this letter.
7. Further information regarding this remediation site can be obtained through a written request under the Freedom of Information Act (5 ILCS 140) to:

Illinois Environmental Protection Agency
Attn: Freedom of Information Act Officer
Bureau of Land #24
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276
8. Pursuant to Section 58.10(f) of the Act (415 ILCS 5/58.10(f)), should the Illinois EPA seek to void this Letter, the Illinois EPA shall provide notice to the current title holder and to the Remediation Applicant at the last known address. The notice shall specify the cause for the voidance, explain the provisions for appeal, and describe the facts in support of this cause. Specific acts or omissions that may result in the voidance of this Letter under Sections 58.10(e)(1)-(7) of the Act (415 ILCS 5/58.10(e)(1)-(7)) include, but shall not be limited to:
 - a) Any violation of institutional controls or the designated land use restrictions;
 - b) The failure to operate and maintain preventive or engineering controls or to comply with any applicable groundwater monitoring plan;
 - c) If applicable, the disturbance or removal of contamination that has been left in-place in accordance with the Remedial Action Plan. Access to soil contamination may be allowed if, during and after any access, public health and the environment

are protected consistent with the Remedial Action Plan;

- d) The failure to comply with the recording requirements for this Letter;
- e) Obtaining the Letter by fraud or misrepresentation;
- f) Subsequent discovery of contaminants, not identified as part of the investigative or remedial activities upon which the issuance of the Letter was based, that pose a threat to human health or the environment;
- g) The failure to pay the No Further Remediation Assessment Fee within 45 days after receiving a request for payment from the Illinois EPA;
- h) The failure to pay in full the applicable fees under the Review and Evaluation Services Agreement within 45 days after receiving a request for payment from the Illinois EPA.

9. Pursuant to Section 58.10(d) of the Act, this Letter shall apply in favor of the following persons:

- a) AmerenCIPS and Commonwealth Edison;
- b) The owner and operator of the remediation site;
- c) Any parent corporation or subsidiary of the owner of the remediation site;
- d) Any co-owner, either by joint-tenancy, right of survivorship, or any other party sharing a relationship with the owner of the remediation site;
- e) Any holder of a beneficial interest of a land trust or inter vivos trust, whether revocable or irrevocable, involving the remediation site;
- f) Any mortgagee or trustee of a deed of trust of the owner of the remediation site or any assignee, transferee, or any successor-in-interest of the owner of the remediation site;
- g) Any successor-in-interest of the owner of the remediation site;
- h) Any transferee of the owner of the remediation site whether the transfer was by sale, bankruptcy proceeding, partition, dissolution of marriage, settlement or adjudication of any civil action, charitable gift, or bequest;
- i) Any heir or devisee of the owner of the remediation site;

- j) Any financial institution, as that term is defined in Section 2 of the Illinois Banking Act and to include the Illinois Housing Development Authority, that has acquired the ownership, operation, management, or control of the remediation site through foreclosure or under the terms of a security interest held by the financial institution, under the terms of an extension of credit made by the financial institution, or any successor in interest thereto; or
- k) In the case of a fiduciary (other than a land trustee), the estate, trust estate, or other interest in property held in a fiduciary capacity, and a trustee, executor, administrator, guardian, receiver, conservator, or other person who holds the remediated site in a fiduciary capacity, or a transferee of such party.

10. This Letter, including all attachments, must be recorded as a single instrument within 45 days of receipt with the Office of the Recorder of Deeds of Perry County. For recording purposes, the SRP Environmental Notice attached to this Letter should be the first page of the instrument filed. This Letter shall not be effective until officially recorded by the Office of the Recorder of Deeds of Perry County in accordance with Illinois law so that it forms a permanent part of the chain of title for the CIPS-DuQuoin Former MGP property.

Within 30 days of this Letter being recorded by the Office of the Recorder of Deeds of Perry County, a certified copy of this Letter, as recorded, shall be obtained and submitted to the Illinois EPA to:

Mr. Robert E. O'Hara
Illinois Environmental Protection Agency
Bureau of Land/RPMS Section
1021 North Grand Avenue, East
P.O. Box 19276
Springfield, IL 62794-9276

11. In accordance with Section 58.10(g) of the Act, a No Further Remediation Assessment Fee based on the costs incurred for the remediation site by the Illinois EPA for review and evaluation services will be applied in addition to the fees applicable under the Review and Evaluation Services Agreement. Request for payment of the No Further Remediation Assessment Fee will be included with the final billing statement.

Page 6

If you have any questions regarding this correspondence, you may contact the Illinois EPA project manager, Stan Komperda at 217/782-5504.

Sincerely,



Lawrence W. Easter, P.E., Manager
Remedial Project Management Section
Division of Remediation Management
Bureau of Land

Attachments: SRP Environmental Notice
Site Base Map
Property Owner Certification of NFR Letter Under the Site Remediation
Program Form
Regulated Substances of Concern List

PREPARED BY:

name: AmerenCIPS and Commonwealth Edison

address: AmerenCIPS
Mr. James T. Birkett
607 East Adams Street
Springfield, IL 62739

Commonwealth Edison Company
Ms. Mary O'Toole
10 South Dearborn, 35 FNW
Chicago, IL 60603

RETURN TO:

name: AmerenCIPS and Commonwealth Edison

address: AmerenCIPS
Mr. James T. Birkett
607 East Adams Street
Springfield, IL 62739

Commonwealth Edison Company
Ms. Mary O'Toole
10 South Dearborn, 35 FNW
Chicago, IL 60603

THE ABOVE SPACE FOR RECORDER'S OFFICE

This Environmental No Further Remediation letter must be submitted by the remediation applicant within 45 days of its receipt, to the Recorder of Deeds of Perry County.

Illinois State EPA Number: 1450100002

AmerenCIPS and Commonwealth Edison, the Remediation Applicants, (addresses listed above) has performed investigative and/or remedial activities for the remediation site depicted on the attached Site Base Map and which remediation site can be identified by the following:

. Legal description or Reference to a Plat Showing the Boundaries:

Map I.D. #61-27-4.1

A part of the Southeast Quarter of the Southwest Quarter of Section 17, Township 6 South, Range 1 West of the Third Principal Meridian in Perry County, Illinois, more particularly described as follows:

mmencing at the Southwest corner of said Quarter-Quarter Section; thence North on an azimuth of 359°57'30 a distance of 25 feet; thence East on an azimuth of 90°15'56 a distance of 100 feet to the point of beginning of land herein described; thence North on an azimuth of 358°14'19 a distance of 342.90 feet; thence West on azimuth of 270°15'56 a distance of 264.85 feet to the East Right of Way line of the Illinois Central Railroad; thence North along said Right-of-Way line on an azimuth of 358°14'19 a distance of 208.00 feet; thence East on azimuth of 90°21'38 a distance of 414.85 feet; thence South on an azimuth of 179°57'30 a distance of 207.81 feet; thence Southwesterly on an azimuth of 258°15'00 a distance of 123.03 feet; thence Southeast on an azimuth of 168°15'00 a distance of 230.00 feet; thence northeast on an azimuth of 78°15'00 a distance of 55.67 feet; thence Southeast on an azimuth of 168°15'00 a distance of 166.67 feet; thence South on an azimuth of 9°57'30 a distance of 40.00 feet; thence West on an azimuth of 270°15'56 a distance of 145.00 feet to the point of beginning of the land herein described, containing 3.442 acres more or less.

act 2

x I.D. # 61-27-4.2

rt of the Southwest ¼ of Section 17, T6S, R1W of 3rd P.M., Perry County, Illinois, more particularly described as follows:

ommencing at the SW corner of the SW ¼ of the said Sec. 17, thence East along the South line of the said SW ¼, a distance of 1179.06 feet to a point in the Easterly right of way line of the Illinois Central Gulf Railroad, thence deflecting left 92°00' Northerly along said right of way of beginning thence continuing the last described course along said right of way line a distance of 242.90 feet; thence deflecting right 92°00' Easterly a distance of 264.85 feet; thence deflecting right 88°00' Southerly a distance of 367.92 feet to the said South line of section seventeen (17); thence deflecting right 92°00' Westerly along said South line a distance of 164.85 feet; thence deflecting right 88°00'; Northerly a distance of 125.02 feet; thence deflecting left 88°00'; Westerly a distance of 100 feet to the point of beginning, containing 1.80 acres more or less.

ract 3

ax I.D. #61-27-4

part of the Southwest Quarter of Section 17, Township 6 South, Range 1 West of the Third Principal Meridian, County of Perry, State of Illinois.

ommencing at the Southwest corner of the Southwest Quarter of the said Section 17; thence East along the South line of the said Southwest Quarter, a distance of 1179.06 feet to a point in the Westerly right-of-way line of the Illinois Central Gulf Railroad, said point being the point of beginning for this description; from said point of beginning, thence Northerly along the said Easterly right-of-way line of the Illinois Central Gulf Railroad, with a deflection angle of 92°00', a distance of 125.02 feet to a point; thence Easterly along a line with a deflection angle of 92°00', a distance of 100.0 feet to a point; thence Southerly along a line with a deflection angle of 88°00', a distance of 125.02 feet to a point in the said South line of the Southwest Quarter; thence West along the said South line of the Southwest Quarter, with a deflection angle of 92°00', a distance of 100.0 feet to the point of beginning for this description containing 0.286 acres more or less.

I.D. #61-27-4

Southerly Sixty-Five Feet (65') of the Easterly Sixty Feet (60;) of the Westerly Three Hundred and Thirty (330') of the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼) of Section Seventeen (Sec. 17), Township Six South (T6S), Range One West (R1W), of the Third Principal Meridian (3rd P.M.), Perry County, Illinois.

Common Address: Gas Plant Road west of U.S. 51, DuQuoin, IL

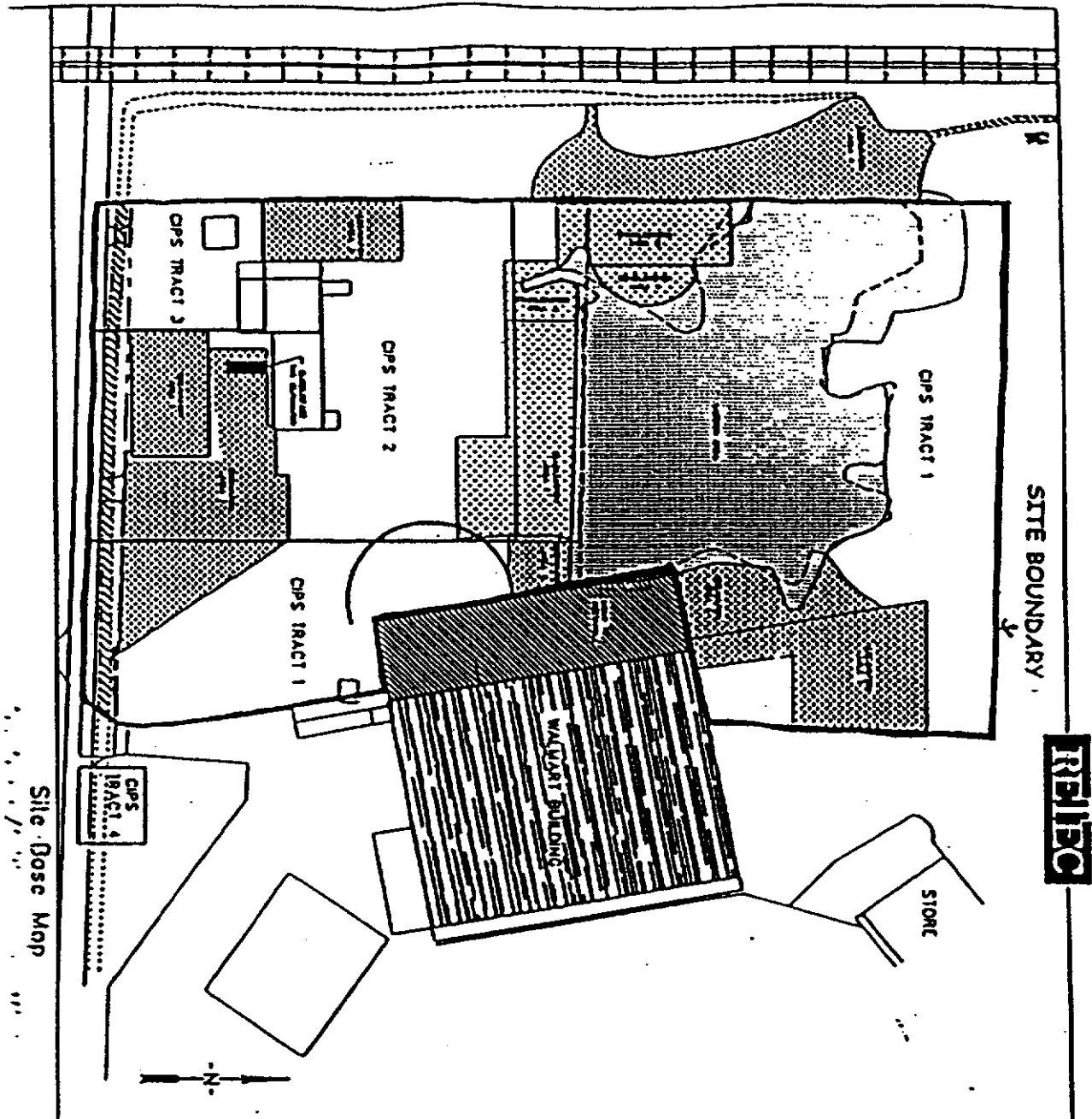
Real Estate Tax Index/Parcel Index Number: #61-27-4.1, #61-27-4.2 and #61-27-4

Remediation Site Owner: Central Illinois Public Service Company d/b/a AmerenCIPS

Land Use Limitation: Industrial/Commercial

Site Investigation: Comprehensive

NFR letter for other terms.



Site Dose Map

NOTE:
EXCAVATIONS WERE FILLED WITH CLAY SOIL
AND SEEDS.
STAKEED SOILS WERE COVERED WITH ONE
FOOT OF CLAY SOIL AND SEEDS.

APPROXIMATE SCALE IN FEET



LEGEND	
	DITCH
	RAILROAD
	ACTUAL LACON AREA
	POTENTIAL LACON AREA
	WATER RESERVATION
	LACON AREA
	GRID AREA
	EXCAVATION AREA
	STAKEED AREA

**PROPERTY OWNER CERTIFICATION OF NFR LETTER
UNDER THE SITE REMEDIATION PROGRAM**

If Remediation Applicant is not the sole owner of the remediation site, include the full legal name, title, the company, the street address, city, the state, the ZIP code, and the telephone number of all other property owners. Include the site name, street address, city, ZIP code, county, Illinois Inventory I.D. number and real estate tax index/parcel index number. The property owner(s), or the duly authorized agent or owner(s) must certify, by original signature, the statement appearing below.

A duly authorized agent means a person who is authorized by written consent or by law to act on behalf of a property owner including, but not limited to:

1. For corporations, a principal executive officer of at least the level of vice-president;
2. For a sole proprietorship or partnership, the proprietor or a general partner, respectively; and
3. For a municipality, state or other public agency, the head of the agency or ranking elected official.

If there are multiple property owners, attach additional sheets containing the information described above, along with a signed, dated certification for each. All property owner certifications must be recorded along with the attached NFR letter.

Property Owner Information

Owner's Name: _____
Title: _____
Company: _____
Street Address: _____
City: _____ State: _____ Zip Code: _____ Phone: _____

Site Information

Site Name: _____
Site Address: _____
City: _____ State: _____ Zip Code: _____ County: _____
Illinois Inventory ID Number: _____
Real Estate Tax Index/Parcel Index No. _____

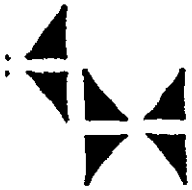
I hereby certify that I have reviewed the attached No Further Remediation Letter, and that I accept the terms and conditions and any land use restrictions set forth in the letter.

Owner's Signature: _____ Date: _____

DESCRIBED AND SWORN TO BEFORE ME
on _____ day of _____, 19__

Notary Public

Illinois EPA is authorized to require this information under Sections 415 ILCS 5/58 - 58.12 of the Environmental Protection Act and regulations promulgated thereunder. If the Remediation Applicant is not also the sole owner of the remediation site, this form must be completed by all owners of the remediation site and recorded with the NFR letter. Failure to do so may void the NFR Letter. This form has been approved by the Forms Management Center. All information submitted to the Site Remediation Program is available to the public except when specifically designated by the Remediation Applicant to be treated confidentially as a trade secret or secret process in accordance with Illinois Compiled Statutes, Section 7(a) of the Environmental Protection Act, applicable Rules and Regulations of the Illinois Pollution Control Board and applicable Illinois rules and guidelines.



HUFF & HUFF, INC.
Environmental Consultants

512 W. Burlington, Suite 100
LaGrange, Illinois 60525

Phone (708) 579-5940
Fax (708) 579-3526

May 26, 1999

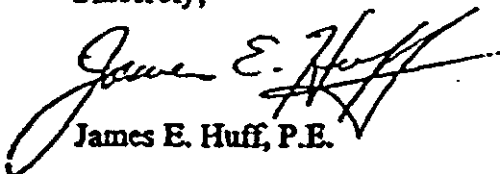
Mr. Robert E. O'Hara
Illinois Environmental Protection Agency
1021 North Grand Avenue
Springfield, IL 62702

Re: 0311535089—Cook county
LaGrange/Former LaGrange Northern Illinois Gas Site
Certified Copy of No Further Remediation Letter

Dear Mr. O'Hara:

Enclosed please find a certified copy of the NFR letter filed with the Cook County Clerk's Office, which is being forwarded to you per condition #10 in Mr. Eastep's letter of March 15, 1999. Should anything else be required, please do not hesitate to contact Mr. Tappan at Nicor Gas.

Sincerely,



James E. Huff, P.E.

Cc R. Tappan, Nicor Gas
P. McCauley, ComEd
T. Brescia, Esquire
M. Latham, Esquire
J. Jackson, Esquire

PREPARED BY:

cc: Richard Tappan
Nicor Gas

ess: 1844 Ferry Road
Naperville, IL 60563

JRN TO:

cc: Richard Tappan
Nicor Gas

ess: 1844 Ferry Road
Naperville, IL 60563

**COOK COUNTY
RECORDER
EUGENE "GENE" MOORE
MAYWOOD OFFICE**

THE ABOVE SPACE FOR RECORDER'S OFFICE

Environmental No Further Remediation letter must be submitted by the remediation applicant within 45 of its receipt, to the Office of the Recorder or Registrar of Titles of Cook County.

is State EPA Number: 0311535089

r Gas and Commonwealth Edison Company as the Remedial Applicants, whose addresses are 1844 Ferry Naperville, IL 60563 and 10 South Dearborn, 35 FNW, Chicago, IL 60603, respectively, have performed tigative and/or remedial activities for the remediation site depicted on the attached Site Base Map and ified by the following:

Legal description or Reference to a Plat Showing the Boundaries: The South 2 acres of that part of the Southeast Quarter of Section 4, Township 38 North, Range 12 East of the Third Principal Meridian, lying Easterly of the center line of Bluff Avenue and West of the Westerly line of the right-of-way of the Chicago, Hammond and Western Railroad Company, now the Chicago Junction Railway Company, also known as the Indiana Harbor Belt Railroad), the North line of said premises being parallel with the center line of 47th Street.

Common Address: Northeast corner of 47th Street and Bluff Avenue, LaGrange, IL

Real Estate Tax Index/Parcel Index Number: 18-04-418-035 and 18-04-418-036

Remediation Site Owner: John Simonelli

Land Use Limitation: Industrial/Commercial

Site Investigation: Comprehensive

FR letter for other terms.

(Illinois EPA Site Remediation Program Environmental Notice)

99409079

1355/0002 24 004 Page 1 of 10
1999-04-29 10:17:30
Cook County Recorder 39.50



**PROPERTY OWNER CERTIFICATION OF THE NFR LETTER
UNDER THE SITE REMEDIATION PROGRAM**

If the Remediation Applicant is not the sole owner of the remediation site, include the full legal name, title, the company, the street address, the city, the state, the ZIP code, and the telephone number of all other property owners. Include the site name, street address, city, ZIP code, county, Illinois inventory identification number and real estate tax index/parcel index number. The property owner(s), or the duly authorized agent of the owner(s) must certify, by original signature, the statement appearing below.

A duly authorized agent means a person who is authorized by written consent or by law to act on behalf of a property owner including, but not limited to:

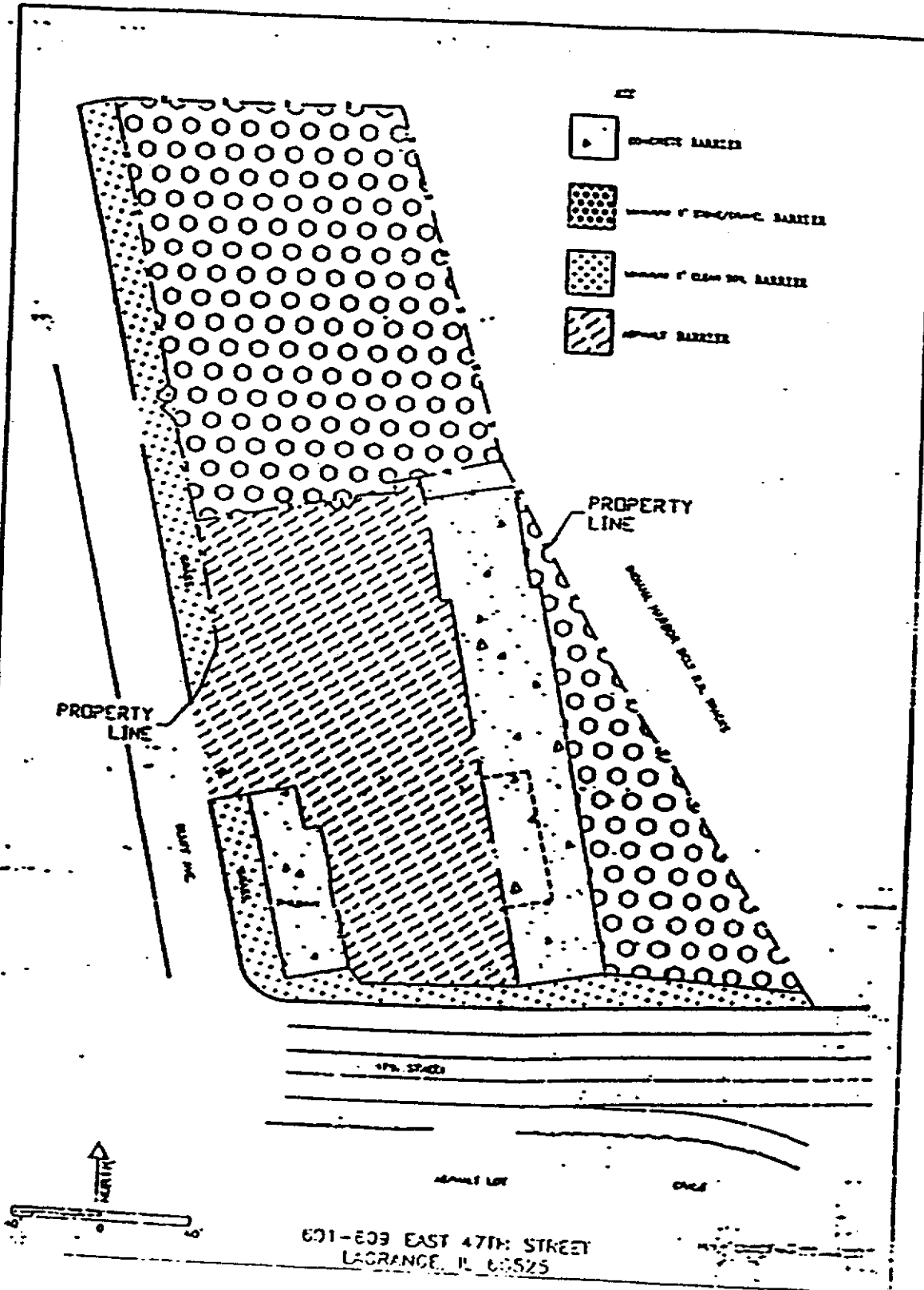
1. For corporations, a principal executive officer of at least the level of vice-president;
2. For a sole proprietorship or partnership, the proprietor or a general partner, respectively; and
3. For a municipality, state or other public agency, the head of the agency or ranking elected official.

For multiple property owners, attach additional sheets containing the information described above, along with a signed, dated certification for each. All property owner certifications must be recorded along with the attached NFR letter.

Property Owner Information	
Owner's Name:	<u>JOHN SIMONELLI</u>
Title:	_____
Company:	_____
Street Address:	<u>1433 RAYMOND</u>
City:	<u>LaGrange Park</u>
State:	<u>IL</u>
Zip Code:	<u>60526</u>
Phone:	<u>708-352-3461</u>
Site Information	
Site Name:	_____
Site Address:	<u>601-609 East 47th Street</u>
City:	<u>LaGrange</u>
State:	<u>IL</u>
Zip Code:	<u>60525</u>
County:	<u>Cook</u>
Illinois inventory identification number:	<u>0311535089</u>
Real Estate Tax Index/Parcel Index No.	<u>18-04-418-035 and 18-04-418-036</u>
<p>I hereby certify that I have reviewed the attached No Further Remediation Letter, and that I accept the terms and conditions and any land use limitations set forth in the letter.</p>	
Owner's Signature:	<u><i>John Simonelli</i></u> Date: <u>4-14-1999</u>
<p>SUBSCRIBED AND SWORN TO BEFORE ME, this <u>14TH</u> day of <u>APRIL</u>, 1999.</p>	
<p>OFFICIAL SEAL THOMAS J BRESCIA NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES: 07/24/00</p>	
<p><i>Thomas J Brescia</i> Notary Public</p>	

The Illinois EPA is authorized to require this information under Sections 413 ILCS 5/58 - 5/112 of the Environmental Protection Act and regulations promulgated thereunder. If the Remediation Applicant is not also the sole owner of the remediation site, this form must be completed by all owners of the remediation site and recorded with the NFR Letter. Failure to do so may void the NFR Letter. This form has been approved by the Farm Management Center. All information submitted to the Site Remediation Program is available to the public except when specifically designated by the Remediation Applicant to be treated confidentially as a trade secret or secret process in accordance with the Illinois (Compiled Statutes, Section 14) of the Environmental Protection Act, applicable Rules and Regulations of the Illinois Pollution Control Board and applicable Illinois EPA rules and guidelines.

SITE BASE MAP
0311535089 - Cook County
LaGrange/Former LaGrange Northern Illinois Gas SITE
SITE REMEDIATION PROGRAM





ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276

THOMAS V. SKINNER, DIRECTOR

217/782-6761

March 15, 1999

Certified # 344 302 699

Richard J. Tappan
Manager, Environmental Affairs
Northern Illinois Gas Company
1844 Ferry Road
Naperville, IL 60563-9600

Re: 0311535089 - Cook County
LaGrange/Former LaGrange Northern Illinois Gas Site
Site Remediation/Technical Reports

Dear Mr. Tappan:

The Remedial Action Completion Report (December 1998/Log No. 98-1796) as prepared by Huff & Huff, Inc. for the Former LaGrange Manufactured Gas Plant property has been reviewed by the Illinois Environmental Protection Agency ("Illinois EPA") and demonstrates that the remedial action was completed in accordance with the Remedial Action Plan. (February, 1998/Log No. 99-113).

The remediation site, consisting of 2 acres, is located at 47th Street and Bluff Avenue, LaGrange, Illinois. Pursuant to Section 58.10 of the Illinois Environmental Protection Act ("Act") (415 ILCS 5/1 et seq.), your request for a no further remediation determination is granted under the conditions and terms specified in this letter. The Remediation Applicant, as identified on the Review and Evaluations Service Agreement (August 21, 1996; Log No. 96-1013), is Nicor Gas and Commonwealth Edison Company.

This comprehensive No Further Remediation Letter ("Letter") signifies a release from further responsibilities under the Act for the performance of the approved remedial action and shall be considered prima facie evidence that the remediation site described in the attached Illinois EPA Site

Page 2

Remediation Program environmental notice and shown in the attached site base map does not constitute a threat to human health and the environment and does not require further remediation under the Act if utilized in accordance with the terms of this Letter.

CONDITIONS AND TERMS OF APPROVAL

LEVEL OF REMEDIATION AND LAND USE LIMITATIONS

1. The regulated contaminants of concern were successfully addressed in the Remedial Action Completion Report (December 1998; Log No. 98-1796).
2. The remediation site is restricted to industrial/commercial uses.
3. The land use specified in this Letter may be revised if:
 - a) Further investigation or remedial action has been conducted that documents the attainment of objectives appropriate for the new land use; and
 - b) A new Letter is obtained and recorded in accordance with Title XVII of the Act and regulations adopted thereunder.

PREVENTIVE ENGINEERING AND INSTITUTIONAL CONTROLS

4. The implementation and maintenance of the following controls are required as part of the approval of the remediation objectives for this site.

Preventive Controls:

At a minimum, during future excavations and construction activities, a site safety plan should be developed to address possible worker exposure to the following contaminants: Benzo(a)pyrene, Indeno(1,2,3-cd)pyrene, Dibenzo(a,h)anthracene and Benzo(a)anthracene. This worker caution is applicable across the entire remediation site. Any excavation within the contaminated soil will require implementation of a safety plan consistent with NIOSH Occupational Safety and Health Guidance Manual for Hazardous Waste Site Activities, OSHA regulations (particularly in 29 CFR 1910 and 1926), state and local regulations, and other USEPA guidance. Soil excavated below one foot must be returned to the same depth from which it was excavated or properly managed or disposed in accordance with applicable state and federal regulations.

Engineering Controls:

The asphalt barrier (parking lot) as shown in the site base map must remain over the

Page 3

contaminated soils. The asphalt barrier must be properly maintained as an engineered barrier to inhibit ingestion of the contaminated media.

The one foot barrier of clean soil identified on the site base map, must remain over the contaminated soils. The one foot of clean soil cover must be properly maintained as an engineered barrier to inhibit ingestion of the contaminated media.

The one foot stone/gravel barrier identified on the attached site based map, must remain over the contaminated soils. The one foot of clean stone/gravel cover must be properly maintained as an engineered barrier to inhibit ingestion of the contaminated media.

The concrete floors of the buildings, as shown in the site base map, must remain over the contaminated soils. This concrete floors must be properly maintained as engineered barriers to inhibit ingestion of the contaminated media.

In the event future excavation and construction activities require temporary removal of an engineered barrier. The engineered barrier may be replaced with any one of the following: one foot or more of clean soil, one foot or more of clean stone/gravel, asphalt cap or concrete cap.

OTHER TERMS

5. Where an institutional control is used to assure long-term protection of human health (as identified under 4 of this Letter), the Remediation Applicant must record a copy of this legal mechanism (e.g., restrictive covenant; deed restriction; negative easement; ordinance adopted and administered by a unit of local government; or agreement between a property owner and a highway authority) along with this Letter.
6. Where the Remediation Applicant is not the sole owner of the remediation site, the Remediation Applicant shall complete the attached property owner certification of the No Further Remediation Letter under the Site Remediation Program form. This certification by original signature of each property owner, or the authorized agent of the owner(s), of the remediation site or any portion thereof who is not a Remediation Applicant shall be recorded along with this Letter.
7. Further information regarding this remediation site can be obtained through a written request under the Freedom of Information Act (5 ILCS 140) to:

Page 4

Illinois Environmental Protection Agency
Attn: Freedom of Information Act Officer
Bureau of Land #24
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

- 8. Pursuant to Section 58.10(f) of the Act (415 ILCS 5/58.10(f)), should the Illinois EPA seek to void this Letter, the Illinois EPA shall provide notice to the current title holder and to the Remediation Applicant at the last known address. The notice shall specify the cause for the voidance, explain the provisions for appeal, and describe the facts in support of this cause. Specific acts or omissions that may result in the voidance of this Letter under Sections 58.10(e)(1)-(7) of the Act (415 ILCS 5/58.10(e)(1)-(7)) include, but shall not be limited to:
- a) Any violation of institutional controls or the designated land use restrictions;
 - b) The failure to operate and maintain preventive or engineering controls or to comply with any applicable groundwater monitoring plan;
 - c) If applicable, the disturbance or removal of contamination that has been left in-place in accordance with the Remedial Action Plan. Access to soil contamination may be allowed if, during and after any access, public health and the environment are protected consistent with the Remedial Action Plan;
 - d) The failure to comply with the recording requirements for this Letter;
 - e) Obtaining the Letter by fraud or misrepresentation;
 - f) Subsequent discovery of contaminants, not identified as part of the investigative or remedial activities upon which the issuance of the Letter was based, that pose a threat to human health or the environment;
 - g) The failure to pay the No Further Remediation Assessment Fee within 45 days after receiving a request for payment from the Illinois EPA;
 - h) The failure to pay in full the applicable fees under the Review and Evaluation Services Agreement within 45 days after receiving a request for payment from the Illinois EPA.
9. Pursuant to Section 58.10(d) of the Act, this Letter shall apply in favor of the following persons:

Page 5

- a) Nicor Gas; Commonwealth Edison Company (A Unicorn Company);
 - b) The owner and operator of the remediation site;
 - c) Any parent corporation or subsidiary of the owner of the remediation site;
 - d) Any co-owner, either by joint-tenancy, right of survivorship, or any other party sharing a relationship with the owner of the remediation site;
 - e) Any holder of a beneficial interest of a land trust or inter vivos trust, whether revocable or irrevocable, involving the remediation site;
 - f) Any mortgagee or trustee of a deed of trust of the owner of the remediation site or any assignee, transferee, or any successor-in-interest of the owner of the remediation site;
 - g) Any successor-in-interest of the owner of the remediation site;
 - h) Any transferee of the owner of the remediation site whether the transfer was by sale, bankruptcy proceeding, partition, dissolution of marriage, settlement or adjudication of any civil action, charitable gift, or bequest;
 - i) Any heir or devisee of the owner of the remediation site;
 - j) Any financial institution, as that term is defined in Section 2 of the Illinois Banking Act and to include the Illinois Housing Development Authority, that has acquired the ownership, operation, management, or control of the remediation site through foreclosure or under the terms of a security interest held by the financial institution, under the terms of an extension of credit made by the financial institution, or any successor in interest thereto; or
 - k) In the case of a fiduciary (other than a land trustee), the estate, trust estate, or other interest in property held in a fiduciary capacity, and a trustee, executor, administrator, guardian, receiver, conservator, or other person who holds the remediated site in a fiduciary capacity, or a transferee of such party.
10. This Letter, including all attachments, must be recorded as a single instrument within 45 days of receipt with the Office of the Recorder or Registrar of Titles of Cook County. For recording purposes, the Illinois EPA Site Remediation Program environmental notice attached to this Letter should be the first page of the instrument filed. This Letter shall not be effective until officially recorded by the Office of the Recorder or Registrar of Titles of Cook County in accordance with Illinois law so that it forms a permanent part of the

Page 6

chain of title for the Former LaGrange Manufactured Gas Plant property.

Within 30 days of this Letter being recorded by the Office of the Recorder or Registrar of Titles of Cook County, a certified copy of this Letter, as recorded, shall be obtained and submitted to the Illinois EPA to:

Mr. Robert E. O'Hara
Illinois Environmental Protection Agency
Bureau of Land/RPMS Section
1021 North Grand Avenue, East
P.O. Box 19276
Springfield, IL 62794-9276

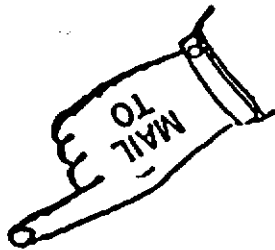
11. In accordance with Section 58.10(g) of the Act, a No Further Remediation Assessment Fee based on the costs incurred for the remediation site by the Illinois EPA for review and evaluation services will be applied in addition to the fees applicable under the Review and Evaluation Services Agreement. Request for payment of the No Further Remediation Assessment Fee will be included with the final billing statement.

If you have any questions regarding this correspondence, you may contact the Illinois EPA project manager, Andrew Friedrich at (217) 785-8724.

Sincerely,


Lawrence W. Eastep, P.E., Manager
Remedial Project Management Section
Division of Remediation Management
Bureau of Land

Attachments: Illinois EPA Site Remediation Program environmental notice
Site base map
Property owner certification of No Further Remediation Letter under the Site
Remediation Program form



Page 7

cc: Huff & Huff Inc.,
512 W. Burlington, Suite 100
LaGrange, IL 60525

Pete McCauley
Commonwealth Edison Company
One First National Plaza
P.O. Box 767
Chicago, IL 60690

John Simouelli
c/o Mr. Thomas J. Brescia, Esq
2311 West 22nd Street, Suite 315
Oak Brook, IL 60521

Nicor Gas Company
Response to:
Illinois Commerce Commission
Ill.C.C. Docket No. 03-0166
First Data Request

SDR-004 Q. Describe how the Company monitors the actual on-site investigation and remediation activities.

SDR-004 A. Nicor Gas monitors the actual on-site investigation and remediation activities in five ways:

- 1) Review and approval of Site Investigation Work Plans and Reports, Remedial Objectives Reports, Remedial Action Plans or other proposed on-site activities or reports.
- 2) Use of professional environmental consultants as our representatives at the sites during on-site investigation and remediation activities.
- 3) Periodic visits to the sites to observe activities and progress and telephone contacts to discuss activities and progress.
- 4) A series of written reports required from the consultants on activities completed, in progress and planned under approved work plans including financial status reports.
- 5) Progress, planning and strategy meetings with consultants regarding activities.

Company Witness: Nancy J. Huston

Nicor Gas Company
Response to:
Illinois Commerce Commission
Ill.C.C. Docket No. 03-0166
First Data Request

- SDR-005 Q. This request pertains to the Company's forecasting of MGP environmental cleanup costs for the reconciliation period.
- a. Explain the forecasting methods used by the Company to determine MGP environmental cleanup costs for the reconciliation period.
 - b. Describe how the forecasted cost amounts were determined.
 - c. Include explanations for each instance where the actual costs, by site or account code, deviated from the forecast costs by 10% or more.
 - d. Explain how these cost forecasts were used by the Company for the reconciliation period.
- SDR-005 A.
- a. Calendar year costs are forecast for the MGP program based on anticipated site by site activities and for general activities for the overall MGP program.
 - b. Estimates of the cost to implement the information gathering process and follow up activities were based on a range of cost estimates provided by environmental consultants. Other estimated costs cover legal expenses, insurance recovery expenses, specialized community relations expenses and Illinois Environmental Protection Agency oversight.
 - c. Forecast costs of \$26,000,000 were used in the ECR calculation for 2002. Actual expenditures were \$20,728,157.12. This includes credits of \$48,303.00 from insurance payments. The primary reasons for the difference between forecast and actual expenditures are due to the deferral of investigation and/or remediation at the Aurora, Blue Island, Chicago Heights, Geneseo II, Joliet, Lockport Twp., Lockport II, Morris, Murphysboro, Ottawa II, Rochelle, Rockford and Streator sites. The DeKalb site did not require the level of remediation anticipated and work at Oak Park was temporarily on hold while the remediation execution plan was re-evaluated. Additional work was completed at Belvidere, Bloomington, Freeport, Kankakee and Skokie.
 - d. Forecasted costs for MGP environmental activities conducted by outside parties at Nicor Gas' direction were used to establish the amount to be collected under the Company's Rider 12.

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SDR-006 Q. Provide a copy of all written procedures for MGP environmental cleanup purchasing and contracting that were in effect during the reconciliation period or that were in effect when past MGP environmental cleanup purchases and contracts were made that extended into the reconciliation period.

SDR-006 A. No such written procedures were in effect during the reconciliation period.

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SDR-007 Q. Provide the date when the MGP environmental cleanup purchasing and contracting procedures were most recently changed, identify each procedure that was changed, and explain why each change was made.

SDR-007 A. No procedures were changed.

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- SDR-008 Q. This request pertains to the general management evaluations, assessments, and/or reviews of the MGP environmental cleanup purchasing and contracting procedures.
- a. Provide the date of the three most recent general management evaluations, assessments, and/or reviews of MGP environmental cleanup purchasing and contracting procedures.
 - b. Provide a copy of all reports and/or summaries of these general management evaluations, assessments, and/or reviews.
 - c. List and explain any changes or modifications made to the purchasing and contracting decision-making process as a result of these general management evaluations, assessments, and/or reviews.
- SDR-008 A. No general management evaluations, assessments and/or reviews of the MGP environmental cleanup purchasing and contracting procedures were undertaken.

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SDR-009 Q. Explain how purchasing and contracting decisions for MGP environmental cleanup costs were included in the corporate planning and budgeting process during the reconciliation period.

SDR-009 A. Purchasing and contracting decisions for MGP environmental cleanup costs are handled as part of the normal corporate planning and budgeting process. In particular, the work to be completed at each MGP site is assessed. The overall budget, based on competitively priced goods and services, is then prepared and discussed internally with the managing group that oversees Nicor Gas' MGP activities. Since there are a relatively large number of sites, work is prioritized so that sites posing the greatest potential risk to human health and the environment are addressed first. In addition, for those sites included in the Interim Cooperative Agreement with ComEd, periodic meetings are held to discuss and reach agreement for purchasing and contracting activities and plans at various sites.

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- SDR-010 Q. This request pertains to the Company's procedures for MGP environmental cleanup purchasing and contracting decisions.
- a. Identify the management level at which purchasing and contracting decisions for MGP environmental cleanup costs were made during the reconciliation period.
 - b. If different procedures were applied at progressively higher cost amounts, describe in detail the procedures for each of the cost amounts.
- SDR-010 A. a. Expenditures over \$50,000 were approved by an officer of the Company. Expenditures below \$50,000 were approved by Environmental Services management. In addition, under the Interim Cooperative Agreement with ComEd, expenditures at certain sites must be jointly agreed upon under a budgeting process involving ComEd.
- b. See a. above.

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- SDR-011 Q. This request pertains to the Company's notification to potential suppliers of goods and services of the Company's intent to purchase or contract goods and services for the environmental cleanup of MGP sites.
- a. Identify all procedures used by the Company to ensure that every reasonable effort was made to notify all available suppliers of the goods and services required for the environmental cleanup of MGP sites before new purchases were made, or before new contracts were awarded to a supplier during the reconciliation period.
 - b. Describe all related actions taken by the Company before any new purchases were made or before any new contracts were awarded during the reconciliation period.
 - c. Describe the instances when only one supplier was notified, and explain how costs were thus minimized.
 - d. Identify all instances when the lowest bid for goods and services required for the environmental cleanup of MGP sites was rejected, and explain the reasons for the rejection.
- SDR-011 A. a. The Company prepared and sent out Requests for Proposal (RFPs) to a number of qualified consulting firms for professional environmental consulting services and Review and Evaluation Licensed Professional Engineer (RELPE) services. Subsequently, individual contracts for engineering and environmental consulting firms were negotiated. The firms were selected based on experience, resource capabilities and cost. The vast majority of additional services necessary to carry out the implementation of the MGP activities were competitively bid. These include drillers, laboratory services, remedial activities and disposal. These services are subcontracted by the engineering consulting firm or contracted directly by the Company.
- b. A bid summary matrix for both consulting and RELPE services was used to evaluate the bids before new contracts were awarded.
 - c. Sole source providers for general legal services, environmental legal services and insurance legal services were selected based on experience, qualifications, cost and availability.
 - d. In situations where competitive bids were sought and all other considerations were equal, the qualified low bidder was selected.

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SDR-012 Q. Explain how the Company evaluated each contract renegotiation position that was proffered by a contracted supplier of the goods and services required for the environmental cleanup of MGP sites during the reconciliation period.

SDR-012 A. No contract negotiations were proffered by a contracted supplier.

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SDR-013 Q. Explain how the Company formulated each contract renegotiation position that it offered to a contracted supplier of the goods and services required for the environmental cleanup of MGP sites during the reconciliation period.

SDR-013 A. No contract renegotiations were initiated by the Company.

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- SDR-014 Q. This request pertains to the Company's monitoring of MGP environmental cleanup purchases and contracts.
- a. Explain how the Company monitored MGP environmental cleanup purchases and contracts during the reconciliation period.
 - b. Document all changes made as a result of these monitoring efforts.
- SDR-014 A. a. All invoices received are reviewed by the Company for accuracy of billing, documentation of the time spent on various activities, documentation of subcontractor costs and progress made on the authorized tasks. Also see responses to SDR-004, SDR-010, SDR-019 and SDR-021.
- b. No changes have been made as a result of these monitoring efforts.

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SDR-015 Q. Identify and explain any factors that limited the Company's available purchasing and contracting options for the goods and services required for the environmental cleanup of MGP sites during the reconciliation period.

SDR-015 A. The Company is unaware of any limiting factors.

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SDR-016 Q. Identify and explain all efforts that the Company made during the reconciliation period to take advantage of favorable market conditions to renegotiate its contracts or to purchase from alternative market sources the goods and services required for the environmental cleanup of MGP sites. If no contract renegotiations were attempted, explain why not.

SDR-016 A. The Company did not identify any changes in market conditions warranting renegotiation.

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- SDR-017 Q. This request pertains to any occurrences when the Company made purchases or entered into contracts using criteria other than minimizing the cost of the environmental cleanup of MGP sites.
- a. List any occurrences during the reconciliation period when the Company made purchases or entered into contracts using criteria other than minimizing the cost of the environmental cleanup of MGP sites.
 - b. For each occurrence, explain the circumstances, quantify the extra costs incurred, and explain what, if anything, can be done to prevent extra costs of this type from being incurred in the future.
 - c. Provide all documentation pertaining to each occurrence.
- SDR-017 A. a. None
b. N/A
c. N/A

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- SDR-018 Q. This request pertains to the Company's procedures to minimize MGP environmental cleanup costs.
- a. Explain with specificity the procedures used by the Company to minimize MGP environmental cleanup costs.
 - b. Give a detailed description of these procedures as they related to all purchasing and contracting decisions for MGP environmental cleanup costs made during the reconciliation period.
- SDR-018 A. a. See responses to SDR-001, SDR-004, SDR-010, SDR-011, SDR-014 and SDR-019.
- b. See responses to SDR-001, SDR-004, SDR-010, SDR-011, SDR-014 and SDR-019.

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- SDR-019 Q. This request pertains to the Company's after-the-fact evaluations of its purchasing and contracting decisions for MGP environmental cleanup costs.
- a. How often are after-the-fact evaluations conducted by the Company to review its purchasing and contracting decisions for MGP environmental cleanup costs?
 - b. Provide a copy of all documents pertaining to these evaluations.
 - c. Identify any decisions, recommendations, policy changes, and new procedures that have resulted from these evaluations.
 - d. Provide the date when the three most recent after-the-fact evaluations were conducted and provide copies of those reports.
 - e. List and explain any changes or modifications made to the purchasing and contracting decision-making process as a result of the after-the-fact evaluations.
- SDR-019 A. a. Evaluation of contractor performance, qualifications and expenditures is an ongoing process utilizing actual vs. budgeted costs, the response of IEPA to reports submitted and comparison to similar activities at other sites as the basis of review and analysis. Discrepancies, concerns and modifications are addressed as needed through periodic meetings and telephone contacts with vendors.
- b. N/A
 - c. For the period in question, no significant changes to practices, vendors or strategies were required as a result of the ongoing evaluation.
 - d. N/A
 - e. For the period in question, no significant changes or modifications to the purchasing and contracting decision-making process were made as a result of the ongoing evaluation.

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- SDR-020 Q. This request pertains to the Company's audits of its purchasing and contracting decisions for MGP environmental cleanup costs.
- a. How often are the MGP environmental cleanup purchasing and contracting functions audited by management using internal or external auditors?
 - b. Provide the dates when the three most recent audits were conducted and provide copies of those audit reports.
 - c. List and explain any changes or modifications made to the purchasing and contracting decision-making process as a result of these audits.
- SDR-020 A. a. Audits of MGP payments to outside contractors are included in the general company audit done by external auditors annually. Additionally, an audit related to MGP sites was performed in 1999.
- b. In general, the Company considers audit materials to be confidential, but the Commission Staff is welcome to review available audit reports at the Company's General Office.
 - c. N/A

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SDR-021 Q. Explain the procedures used to verify the quality of the items and services purchased or contracted for regarding the environmental cleanup of MGP sites.

SDR-021 A. The quality of the goods and services purchased or contracted for regarding the environmental cleanup of MGP sites is the responsibility of the engineering and environmental consulting firm acting in its capacity as the on-site manager of the active MGP sites. Company management oversees this activity on an ongoing basis as does the IEPA who is the recipient of reports on activities. In addition, under the Interim Cooperative Agreement with ComEd, reports are reviewed by ComEd for certain sites Also see response to SDR-004.

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- SDR-022 Q. This request pertains to the policies and procedures for the quality control of items and services purchased or contracted for regarding the environmental cleanup of MGP sites.
- a. What are the Company's policies and procedures for dealing with items and services purchased or contracted for regarding the environmental cleanup of MGP sites that failed to meet quality and contract specifications?
 - b. List each occurrence when items and services purchased or contracted for regarding the environmental cleanup of MGP sites failed to meet quality and contract specifications.
 - c. Provide documentation of any related actions taken by the Company during the reconciliation period. If no documentation can be provided, explain why not.
- SDR-022 A. a. No written policies and/or procedures exist. The Company's practice is to not pay for goods or services that fail to meet quality and contract specifications.
- b. None.
 - c. N/A

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